



## MEMORANDUM

IOWA GENERAL ASSEMBLY  
**LEGISLATIVE SERVICES AGENCY**

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TO: Legislative Fiscal Committee

FROM: Dave Reynolds

DATE: April 13, 2005

RE: Department of Public Safety Lease Purchase Notification

### DIVISIONS

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The Department of Public Safety has submitted a lease purchase notification for the replacement of the Automated Fingerprint Identification System (AFIS).

The total estimated cost of the agreement is \$2,985,000 assuming the new system is ordered prior to June 20, 2005. The Department was appropriated \$550,000 in HF 2298 (FY 2005 Omnibus Appropriations Act) for the costs of entering into a lease purchase agreement to upgrade the Automated Fingerprint Identification System (AFIS).

The Department plans to use the \$550,000 as a down payment for the equipment and finance the remaining \$2,435,000 over a period of six years. Annual payments will total approximately \$462,000, and will be funded with appropriated funds.

Additional information concerning the lease purchase is attached. If you have any questions, do not hesitate to contact me at (515) 281-6934.

cc: Steve Conlon, Department of Public Safety  
Nicole Jones, Office of the State Treasurer  
Jeff Nelson, Office of the Attorney General

FISCAL SERVICES

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**LEASE-PURCHASE PRIOR NOTIFICATION**

(FOR PURCHASES OF \$50,000 OR MORE)

For Reporting Requirements per Section 8.46, Code of Iowa

Agency Name: Iowa Department of Public Safety (DCI)	Budget Unit/ Fund Name: Appropriations (RIIF)	Budget Unit/ Fund No.: 0017
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**ACQUISITION INFORMATION**

## Description of Acquisition:

This involves the replacement of the Automated Fingerprint Identification System (AFIS) located in the Department of Public Safety. The AFIS system serves all Iowa law enforcement as the only statewide computerized database containing fingerprints of individuals arrested and convicted of offenses in the Iowa Criminal Code. Remote livescan devices located in Criminal Justice agencies across Iowa electronically submit fingerprints into the database. The system also contains fingerprints discovered at crime scenes which are compared against the known prints for possible identification. This system submits Iowa arrest information electronically to the Federal Bureau of Investigations national files. The AFIS is used to store, comparison, make identifications and verifications of an individuals identity. The system is used daily by all Iowa law enforcement.

Type of Acquisition <input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Continuation	Duration of Contract (Mo/Yr) Start: June, 2005 End: June, 2011	Contract Type: Lease Purchase	Estimated Useful Life: Approximately 7 to 10 years
Funding Sources	\$	Estimated Cost if Purchased Outright: \$ 3,585,000 ( only \$2,985,000 if ordered by June 20, 2005 )	
General Fund	\$		
Federal	\$	Principal: \$ 3,585,000 ( only \$2,985,000 if ordered by June 20, 2005 ) ( This amount would be \$2,985,000 after deducting discounts and trade-in. Then using the appropriated \$550,000 as down payment would bring the new total to finance to \$2,435,000. )	
Revolving Fund	\$		
Road Use Tax	\$	Finance Charge: \$336,390.09 ( based upon financing \$2,435,000 )	
Other (Specify)	\$ 550,000 ( RIIF )		
Total	\$	Interest Rate: 4.430 %	

**CASH FLOW**

	FY __05__	FY __06__	FY __07__	FY __08__	FY __09__	FY __10__	FY __11__	Total Cost
Principal	See Attached Schedule							
Interest								
Total								

**JUSTIFICATION/CONSEQUENCES OF DELAY OR ABANDONMENT**

The current AFIS is operating on technology designed in 1997-1998 and the vendor will be unable to guarantee to be able to fix or find replacement parts by 2006 in the event the system breaks down. The current system will not process palm prints or Homeland Security type applicant prints and is limited to creating a fingerprint image at 500 dpi. Livescan equipment being purchased for sheriff's offices and police departments will have the ability to image prints at a higher dpi, process palm prints and accept and transmit Homeland Security type applicant prints. If the system breaks down and is not able to be repaired due to its age, the entire Criminal Justice System in Iowa will not have a computerized fingerprint database to store prints, compare and identify criminals with. This will also impact agencies that depend upon this system to check future employees and volunteers for positions involving contact with children.

The vendor has given us a price of \$ 3,585,000 and, if purchased by June 20, 2005, will reduce the price to \$2,985,000 which will save the state approximately \$ 600,000. Any delay beyond ordering this after June 20, 2005 will cost the state of Iowa \$600,000.

Contact Person: Steven Conlon	Title: Assistant Director (DCI)	Phone Number: 515-281-8711	Date: April 7, 2005
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Please return to the Fiscal Services Division of the Legislative Services Agency